

**City Council Work Session
September 22, 2014**

The City Council of the City of Elizabeth City met in work session on Monday, September 22, 2014 in Council Chambers, located on the 2nd floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Joe Peel
Councilwoman Jean Baker
Councilman Ray Donnelly
Mayor Pro Tem Anita Hummer
Councilman Tony Stimatz (*arrived at 5:35 p.m.*)
Councilman Michael Brooks (*arrived at 5:35 p.m.*)
Councilman Kem Spence (*arrived at 5:40 p.m.*)
Councilman Darius Horton
Councilman Montravias King

MEMBERS ABSENT: None

OTHERS PRESENT: City Manager Rich Olson
City Attorney Bill Morgan
Planning Director June Brooks
Chief of Police Eddie Buffaloe
Electric Department Superintendent Karl Clow
Assistant to the City Manager Angela Cole
ECDI Director Rebecca Cross
Human Resources Director Katherine Felton
Public Utilities Director Paul Fredette
Inspections Director Stanley Ward
Parks and Recreation Director Bobbi White
City Clerk Vivian White

The City Council work session was called to order by Mayor Joe Peel at 5:30 p.m. Mayor Peel welcomed everyone to the meeting and recognized B. J. Caison to give the invocation, after which all in attendance recited the Pledge of Allegiance.

1. Approval of Agenda:

Mayor Peel called for any adjustments to and approval of the agenda.

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilman Darius Horton, to approve the agenda with any necessary adjustments. Those voting in favor were: Baker, Donnelly, Hummer, Horton and King. Against: None. The motion carried. (*Stimatz, Brooks and Spence had not yet arrived.*)

(No adjustments to the agenda were requested.)

2. Statement of Disclosure:

The City Clerk read the Statement of Disclosure. No conflict of interest disclosures regarding items listed on the agenda were made.

3. Presentation: Peace Pole Project by Elizabeth City Morning Rotary Club:

Mayor Peel introduced Mr. Russ Haddad and Ms. Jan Riley representing the Morning Rotary Club. Mr. Haddad stated that the Elizabeth City Morning Rotary Club is requesting permission from the City Council to locate on City property a structure called a "Peace Pole". He said that one of the objectives of Rotary International is "the advancement of international understanding, goodwill and peace through a world fellowship of business and professional persons united in the ideal of service". Mr. Haddad explained that to demonstrate that principle in the community and in recognition of the club's 30th anniversary, the members of the club proposed to sponsor the purchase and placement of a Peace Pole at a prominent public space in Elizabeth City. Mr. Haddad described the Peace Pole structure for the Council and showed a miniature scale representation of what the six to eight foot structure would look like. He advised that the actual location of the structure and the timing of its placement would be determined at a later time, but suggested that the presentation could be made during the fall of 2015, either in recognition of The International Day of Peace on September 21 or a date closer to the Club's charter date of November 22.

Mayor Peel asked if members of the Council had any questions regarding this project. Hearing none, he announced that the matter would be placed on a future agenda for consideration.

4. Discussion/Consideration – Proposal to Reduce Police Personnel Salary Expense:

Mayor Peel requested that Mayor Pro Tem Hummer, chairwoman of the Finance Committee, begin the discussion on this matter.

Mayor Pro Tem Hummer advised that the Finance Committee had discussed staff's proposal to reduce the \$200,000 overage in police personnel salary expense. She said that the Finance Committee had considered the two options provided by staff; and stated that the first option was to reduce the bi-weekly hours worked from 84 to 80 for all sworn personnel. She said the committee felt that was a pay cut. She advised that Option 2 was to reduce the pace of the hiring process; but she pointed out that the roster is already three officers short. She stated that the committee could not agree to do that either. She relayed that the Finance Committee felt that the issue should be discussed by the full Council without recommendation from the committee.

Mayor Peel informed the Council that the Finance Committee had asked the City Manager to look for other ways to make up the difference.

Mr. Olson advised that in normal situations, staff looks for opportunities within the same cost center to address overages; and stated that he and Chief Buffaloe had been working to identify ways to decrease expenses in the Police Department Budget. He said two sources had been identified; \$70,000 slated for the purchase of a new police facility and \$25,000 in the capital account to do work on the firing range. In addition, he stated that \$50,000 had been identified, which was slated to replace the boardwalk at Waterfront Park. He said that the Parks and Recreation Department had volunteered to defer that project for one year since they have the new Boatworks property to work on across the creek. Mr. Olson advised that these proposed sources would provide the needed funding to cover the overage of \$150,000, factoring in the length of time it takes to secure quality candidates for hiring.

Councilman Spence inquired as to the number of police officers the City is supposed to have; and commented that he thought it was over 60 at one time. Mr. Olson stated that he, too, thought the staffing level was at 62, but advised that the additional officers were formerly financed by COPS grants. He stated that the staffing level currently approved is 59. Chief Eddie Buffaloe stated that he concurred with Mr. Olson's explanation of the staffing level; and advised that when he began as Chief of the Police Department he was told his staffing level was at 59. Chief Buffaloe said that when he came to Elizabeth City, the Police Department was seven to eight positions short. Mr. Olson commented that the staffing issue for officers seems to be cyclical.

Chief Buffaloe provided a description of the various police officer positions: Police Recruit, Police Officer I, Police Officer II and Police Officer III; and gave a brief synopsis of the training involved for each position. Mr. Olson pointed out that another issue to consider in the funding discussion is the approximate \$32,000 that will be required for internal promotions during the fiscal year.

Councilman Spence pointed out that during the years when police positions were short, that could have contributed to the reason the pay overage had not been an issue previously. Mr. Olson responded that could be correct, because the fund balance was a lot higher during those periods due to the vacancies not being filled. He continued by saying that over the last few years, the City has filled the positions and the amount unexpended has decreased. He also said that the change in hours from 80 to 84 had not been accounted for when budget worksheets were prepared.

Mr. Olson stated that the problem did not occur overnight. He said that when the City's new auditors came in, a finding was noted in last year's budget because of the amount overspent in police personnel salaries. He stated that historically, the auditors had looked at the total amount spent in the General Fund; and the City is always under that. He said the new auditor looked internally at each cost center and noted the finding.

Councilman Spence noted that the problem did not occur overnight and could not be corrected overnight. He stated that it would be unfair to cut back on the police officers' pay or hours to try and correct the situation.

Mayor Peel made the point that the figures that had been provided by the City Manager would correct the problem in the current fiscal year; and that it would need to be addressed in the next budget year as well because it would be a reoccurring problem.

Mayor Pro Tem Hummer thanked the City Manager for looking for additional funds and for addressing Council's and the Finance Committee's concerns.

Motion was made by Mayor Pro Tem Anita Hummer, seconded by Councilman Ray Donnelly to accept the formula that the City Manager proposed to correct the overage in the current fiscal year, keeping in mind that the Council will have to look at it in next year's budget.

Councilman Stimatz stated that he did not think the police building had been put to rest and he thought that should be taken off the table until the Council came to a final decision. He said the last thing he remembered was that the Council "is waiting". He also pointed out that there was \$40,000 in the Parks and Recreation Budget for restoration of the courts at Enfield Park that could be used. Mr. Olson responded that the work had not been determined for Enfield Park, but money had been allocated. Councilman Stimatz said he would offer that money as an alternative. He stated that he had a real concern that for 15 years, the City has been certifying paychecks for pay that wasn't authorized in the budget. He stated that he was glad to see the auditors caught it, but was concerned it went on for 15 years. He indicated it raised a red flag for him with regard to internal accounting procedures.

Councilman Stimatz inquired as to when the number of officers per shift was changed to ten. He said that his recollection was that each shift consisted of nine officers, comprised of one sergeant and eight officers on patrol. Chief Buffaloe responded that prior to his arrival, a restructuring under the interim Chief of Police occurred, which provided for two sergeants assigned to each shift. Councilman Stimatz stated that this was a change in the patrol structure that was not reflected in the budget presentation to Council. He said that the Councilors need to be informed during budget discussions so they understand what is going on. He suggested that if the Council had not decreased the proposed tax increase because of the large influx of money created by the County's tax collection correction, the City would have the money. He suggested that the Council go ahead and pass a resolution requesting that the tax rate go up next year to cover the shortage, because "come next March when everybody's looking at election, nobody will want to do it".

Councilman Donnelly stated that he wanted to make sure the Council did not lose track of the drafting of a Standard Operating Procedure that restricts the hours an officer can work outside his or her usual employment. He said he thought it was critical for that to come forward in the very near future. Mr. Olson responded that Standard Operating Procedures do not go before the Council for approval. He advised that the Chief would draft the document and that he, as City Manager, would approve it. Mr. Olson stated that he understands that the total amount of hours that officers work outside their

normal shift should be limited and he is in total agreement with Councilman Donnelly regarding that issue.

Councilman Brooks stated that he was uncomfortable with both the options presented by staff, because he was concerned about losing officers to other jurisdictions. Mr. Olson stated that the Finance Committee was of the same opinion and had instructed him to look for additional alternatives to avoid doing Option 1 or Option 2. Mayor Peel pointed out that the money suggested by staff would be used to keep everyone just as they were – at 84 hours. Councilman Brooks stated that to avoid hurting the police officers, the budget could be squeezed as tight as need be. He suggested the City could forgo the Community Support Grants if needed, because the City did not have to do that. He pointed out that security of the citizens was more important than giving money to non-profits.

Councilman Spence called for the question.

Mayor Peel restated that the motion on the floor would keep all the officers working at 84 hours and called for a vote on the motion:

Those voting in favor of the motion were: Baker, Donnelly, Hummer, Stimatz, Brooks, Spence, Horton and King. Against: None. The motion carried unanimously.

5. Discussion/Consideration – Award of Community Support Grants for Fiscal Year 2014-2015:

Mayor Peel recognized City Manager Olson to provide a recap of the Finance Committee’s recommendations for Community Support Grant Awards. Mr. Olson reported that before the process began, the Council approved the procedure to be used; and the Finance Committee had heard presentations by each of the applicants. He stated that the Finance Committee subsequently met to discuss what their recommended allocation of awards to the City Council would be. Mr. Olson advised that the committee’s recommendations of award were as follows:

| | Amount | Finance Committee |
|---------------------------------------|------------------|--------------------------|
| Applicant | Requested | Recommendation |
| National Council of Negro Women, Inc. | 1,500.00 | 1,100.00 |
| Healthy Carolinians of the Albemarle | 1,500.00 | 500.00 |
| Pasquotank County Library | 1,700.00 | 1,250.00 |
| Girls, Inc. | 2,000.00 | 1,500.00 |
| American Legion Post 84 | 3,000.00 | - |
| City of Elizabeth City/SOULS Feeding | 3,000.00 | 3,000.00 |

| | | |
|-------------------------------------------------|------------|------------------|
| Highway 17 Association | 3,000.00 | |
| Home Team Foundation | 3,500.00 | - |
| Albemarle Family YMCA | 4,000.00 | 2,000.00 |
| Arts of the Albemarle | 5,000.00 | 2,500.00 |
| Family Enterprises | 5,000.00 | - |
| Education Foundation | 5,000.00 | 2,500.00 |
| Kids First, Inc. | 6,000.00 | 6,000.00 |
| Diamond Development | 7,000.00 | - |
| Tabernacle of Faith | 7,000.00 | 5,000.00 |
| Port Discover | 7,500.00 | |
| River City CDC | 10,000.00 | 8,500.00 |
| Food Bank of the Albemarle | 20,000.00 | 10,000.00 |
| Science Push Foundation | 27,500.00 | - |
| ECSU Foundation | 30,000.00 | 1,250.00 |
| TOTAL APPLICATIONS | 153,200.00 | |
| Balance Unappropriated | | 4,900.00 |
| FY 14-15 Community Support Grant Funding | | 50,000.00 |

Mr. Olson pointed out that the Finance Committee chose not to allocate the entire budget appropriation; but left a balance unappropriated of \$4,900 to meet additional needs throughout the year. He also advised that the committee recommended making application to the Tourism Development Authority for the Highway 17 Association in the amount of \$1,000 and for Port Discover in the amount of \$7,500.

Councilman Stimatz stated that he attended the first Finance Committee meeting and had a long list of questions and requests for information, which he proposed had not been answered. Mr. Olson responded that the supplemental information that had been received by staff from the applicants had been forwarded to members of the Council.

Councilman Stimatz stated that there was no program budget for the National Council of Negro Women; and also said that another problem he had was with the River City CDC application in the amount of \$10,000. He said that there was no program budget for that application and he could not justify \$5,000, much less doubling the cost to \$10,000. Councilman Stimatz indicated that these two were just examples, because he pretty much “tore into everybody equally” during the Finance Committee meeting. He said he was looking at money that the Council was going to give; and his biggest problem was “their financials are poor, their management is poor, their budgets are non-existent and

we are supposed to keep giving them money”. He said that the second issue he had is that he cannot tell what the return on investment would be: “how many people are being served, who is this going to reach, how is it going to reach them, how many of them are City versus County, etc.”. Councilman Stimatz said that his third issue is that the grant solicitation specifically talks about what it’s for; and cited the Healthy Carolinians application as an example. He stated that the City spends \$1.2 million in the Parks and Recreation Budget already for kids’ fitness. He said that the Healthy Carolinians suggested award is only \$500; but that is \$500 that isn’t available for some other program, especially the arts or sciences that aren’t funded in the Parks and Recreation budget. He stated that he had a problem with that, just generically. He pointed out that the City solicits for grants to help its less fortunate citizens and to help kids have more access and activities in arts and sciences. He confirmed that is why he is specifically against any funding for any sports program at all; because the City already spends \$1.2 million in Parks and Recreation and a lot of that is for kids. He said since they are already getting a big chunk of the City’s money, we should look harder at those people who are in activities that are not sports related.

Councilman Horton stated that the Finance Committee spent countless hours both privately and in public reviewing the requests and deliberating regarding what should be recommended to the full Council. He said that members of the City Council had received information from the City Manager from the organizations that had submitted additional, requested information regarding their application. He stated that one of the things that he was not aware of was that the grant awards are not given until the organization comes forward with an invoice. He stated that all the organizations were great organizations and they provide services that the City does not provide.

Motion was made by Councilman Darius Horton, seconded by Councilman Ray Donnelly, to approve the Finance Committee recommendation for Community Support Grants for the Fiscal Year 2014-2015 as presented.

Councilman Brooks inquired if the request for proposals for Community Support Grants included the total amount of funding available. He stated that the amounts asked for were “mind boggling”. City Manager Olson responded that the information sent out did not include the amount of funding available; however, the amount was appropriated during the budget process and the public should have known that \$50,000 was the amount available. Councilman Brooks suggested that the next time requests for proposals are sent for Community Support Grants, the amount of total funding available should be stated on the form. He pointed out that two of the requests received represented the entire amount available.

Mayor Pro Tem Hummer stated that the amounts presented were only a recommendation from the Finance Committee to the full Council. She said that she had considered all comments and suggestions during her consideration of the issue, but there had to be a starting point.

Councilwoman Baker inquired regarding the awards proposed for TDA funding. Mr. Olson responded that it had been proposed to submit an application for \$1,000 for the Highway 17 Association and for \$7,500 for Port Discover. Mr. Olson reminded the Council that Port Discover's five year, \$15,000 per year allocation of TDA funding to purchase the building had been completed.

Councilwoman Baker disclosed that she sits on the Board of Arts of the Albemarle, which is one of the applicants for a Community Support Grant.

Councilwoman Baker asked if the Education Foundation receives funding from Pasquotank County. Councilman Stimatz stated that he had asked that specific question and was told that they receive money from the School Board.

Councilman Stimatz stated that the money Port Discover requested was for an afterschool program. He said that was not a "heads in beds" program, making it ineligible for TDA funding and suggested that discussion be tabled until staff could come back with the information that has been requested. He said that specifically he wanted to see the summer program costs on the RCCDC biennial summer program and why it had increased so much.

Motion was made by Councilman Tony Stimatz, seconded by Councilman Kem Spence, to table action on this matter until the additional information that had been requested was received. Those voting in favor of the motion were: Baker, Hummer, Stimatz, Brooks, Spence, and King. Against: Donnelly and Horton. The motion carried.

City Manager Olson said that as he understood it, City staff was to determine if Port Discover's request could be addressed internally in order to qualify for TDA funding; and provide a detailed program budget for the River City CDC summer Workforce Program.

Mayor Peel suggested that additional information be provided by Tabernacle of Faith. Councilman Stimatz requested that any applicant that had not provided a program budget needed to do so. Councilman Stimatz stated that he would also like to see an annual budget; and Mayor Peel responded that he did not believe the application had asked for that information. Councilman Stimatz responded that he had asked for that information during the Finance Committee meeting.

Councilman Donnelly pointed out that an annual budget was not a part of the application process and would be an extra condition placed on the applicants. Councilman Stimatz responded that the applicants should be keeping those records, but whether they do is another question entirely.

Mayor Peel stated that he didn't necessarily disagree with any of that; but said that one of the things that needed to be done before next year is to revisit the application process, "because people don't need to feel as if they have been jerked around". He

said that whatever the Council wants needs to be communicated upfront so the applicants come prepared.

6. Discussion/Update – Shipyard/Former Griffin Property:

Mayor Peel recognized Bobbi White, Parks and Recreation Director, for a review of the City's recently acquired property on the City's waterfront. Ms. White began by thanking the Council for all the help provided throughout the years and for all the things that had been accomplished along the City's waterfront.

Ms. White provided a background for the Council of the acquisition of the property through a CAMA Public Beach and Coastal Waterfront Access Grant. She advised the Council that on May 26, 2014, the City authorized staff to apply for a second CAMA grant in the amount of \$117,000 to improve public access to the deteriorating urban waterfront property. She said that in July 2014, the City received an invitation to submit a final application for CAMA funding, which is due on October 17, 2014 for \$75,000. She stated that this application will re-define the scope of work to lower the total project costs. In addition, she reported that staff had submitted a Boating Infrastructure Grant Program (BIG) application to cover the construction of fixed piers, floating docks and a dinghy dock; and advised that the City received notice on September 15, 2014 that its grant proposal for the BIG was selected for funding for the T-dock in the amount of \$42,667. She reported that the federal share of this expense will be \$32,000 and the City's share is \$10,667.

Ms. White told the Council that City staff planned to work on the property in three phases to make the project more affordable. Using a PowerPoint slide for the project, she described the three phases of work planned for the site.

Mr. Olson stated that both phases one and two are fully funded in the fiscal year 2014-2015 budget, provided the City is successful in receiving the grant funding.

7. Committee Reports:

- a) EC-PC Economic Development Commission: Mayor Pro Tem Hummer, Councilwoman Baker, Councilman Donnelly and Mayor Peel

Mayor Pro Tem Hummer stated that the next meeting will be held on September 24, 2014.

- b) Central Communications Advisory Board: Councilman Spence

Councilman Spence advised that he had nothing to report.

- c) Fireman's Relief Fund Board: Councilman Brooks

Councilman Brooks advised that he had nothing to report.

d) NC Eastern Municipal Power Agency: City Manager Olson and Mayor Peel

Mr. Olson advised that a meeting would be held on September 24, 2014 and that a Rate Committee meeting would be held on September 29, 2014.

e) Elizabeth City Downtown, Inc.: Councilman Donnelly

Councilman Donnelly reported that ECDI held a recent retreat and set some additional goals for the upcoming year.

f) Elizabeth City Area Chamber of Commerce Board: Mayor Peel

Mayor Peel stated that an open house would be held on Thursday, September 25, 2014 at Sentara Albemarle Medical Center and would provide a good opportunity for the public to see the new hospital's operations.

g) Finance Committee: Mayor Pro Tem Hummer, Councilman Donnelly, Councilman Horton and Mayor Peel

Mayor Pro Tem Hummer advised that all items discussed by the Finance Committee appeared on the Council Work Session and Regular Session agendas.

h) Parks and Recreation Advisory Board: Councilman Horton

Councilman Horton advised that he was unable to make the last meeting, but would report following the upcoming meeting.

i) Elizabeth City/Pasquotank County Airport Authority: Councilman Stimatz

Councilman Stimatz reported that the Airport Authority is moving ahead on a number of projects. He said that the terminal renovation is nearly complete and that the taxiway renovation is moving forward. He reported that the Memorandum of Understanding with the State of North Carolina and the Coast Guard will soon be executed. He said that the Secretary of NCDOT will be visiting Elizabeth City on October 15, 2014 and will receive a tour of the Coast Guard Base.

j) Storm Water Advisory Board: Councilman Stimatz, Councilman Donnelly and Councilman Brooks

Councilman Stimatz advised that the board met and took some time with the newly appointed members to bring them up to speed on issues. He stated that the main objective going forward would be a stormwater outreach program, which is mandated by federal law. He reported that the board planned to erect a sign at the Roanoke Avenue Phase III project to let the public know what is going on and what the project will do for them.

k) Tourism Development Authority: Councilwoman Baker

Councilwoman Baker reported that the regular meeting would be held on Thursday, September 25, 2014.

8. Adjournment:

There being no further business to be discussed, Mayor Peel adjourned the meeting at 6:38 p.m.

Joseph W. Peel
Mayor

Vivian D. White, NCCMC
City Clerk